

WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004

	August-04				July-04				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Month		FYTD	FY04	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2004	6/30/2004
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	16,658,216	1.5%	1.6%	-0.39%	16,731,179	1.6%	1.6%	-5.03%	-5.40%	N/A	N/A	N/A
Total Structured Growth	16,658,216	1.5%	1.6%	-0.39%	16,731,179	1.6%	1.6%	-5.03%	-5.40%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				-0.49%				-5.65%	-6.12%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>												
LSV	17,868,633	1.6%	1.6%	1.42%	17,613,962	1.6%	1.6%	-1.21%	0.20%	30.56%	9.33%	8.36%
Russell 1000 Value				1.42%				-1.41%	-0.01%	21.13%	2.96%	1.67%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	35,352,818	3.2%	3.2%	0.22%	35,292,018	3.3%	3.2%	-3.56%	-3.35%	N/A	N/A	N/A
Russell 1000				0.49%				-3.51%	-3.04%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	34,562,047	3.2%	3.2%	0.44%	34,431,545	3.2%	3.2%	-3.30%	-2.88%	N/A	N/A	N/A
S&P 500				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
<i>Index</i>												
State Street	10,407,181			0.41%	10,366,874			-3.32%	-2.93%	19.01%	-0.75%	-2.28%
Total Index	10,407,181	1.0%	1.1%	0.41%	10,366,874	1.0%	1.1%	-3.32%	-2.93%	19.01%	-0.75%	-2.28%
S&P 500				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	114,848,895	10.5%	10.7%	0.40%	114,435,577	10.7%	10.7%	-3.33%	-2.94%	21.46%	0.15%	-1.39%
S&P 500				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	53,327,541	4.9%	5.3%	-1.22%	54,026,190	5.0%	5.3%	-7.28%	-8.41%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-0.35%				-6.57%	-6.89%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	53,327,541	4.9%	5.3%	-1.22%	54,026,190	5.0%	5.3%	-7.28%	-8.41%	32.99%	5.54%	7.29%
Russell 2000				-0.51%				-6.73%	-7.21%	33.36%	6.24%	6.63%
CONVERTIBLES												
TCW	61,600,131	5.7%	6.0%	-0.55%	61,997,885	5.8%	6.0%	-5.05%	-5.57%	17.50%	1.03%	3.90%
First Boston Convertible Index				-0.30%				-2.49%	-2.78%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	41,259,682	3.8%	4.0%	0.38%	41,174,981	3.8%	4.0%	-3.48%	-3.11%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				0.12%				-2.80%	-2.68%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>												
Lazard	5,750,374	0.5%	0.5%	0.30%	5,733,570	0.5%	0.5%	-3.00%	-2.71%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				1.00%				-4.20%	-3.24%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>												
Vanguard	5,498,451	0.5%	0.5%	0.87%	5,450,914	0.5%	0.5%	-7.69%	-6.89%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				1.00%				-4.20%	-3.24%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	52,508,507	4.8%	5.0%	0.43%	52,359,464	4.9%	5.0%	-3.86%	-3.45%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				0.12%				-2.80%	-2.68%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	180,080,597	16.5%	14.7%	2.06%	176,359,537	16.5%	14.7%	1.24%	3.33%	2.42%	7.77%	8.10%
Lehman Aggregate				1.91%				0.99%	2.92%	0.32%	6.35%	6.95%
<i>Index</i>												
Bank of ND	231,601,579	21.3%	21.0%	1.66%	227,651,783	21.2%	20.9%	0.77%	2.43%	0.07%	7.10%	7.25%
Bank of ND CD'S	11,376,023	1.0%	1.0%	0.30%	11,342,866	1.1%	1.1%	0.30%	0.59%	3.53%	4.06%	4.76%
Total Index	242,977,602	22.3%	22.0%	1.59%	238,994,649	22.3%	22.0%	0.74%	2.35%	0.28%	6.76%	7.03%
Lehman Intermediate Gov/Credit (1)				1.67%				0.84%	2.53%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>												
Strong	100,497,515	9.2%	7.3%	2.39%	98,004,910	9.1%	7.3%	1.37%	3.79%	1.18%	N/A	N/A
Lehman US Credit BAA				2.55%				1.40%	3.99%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	523,555,715	48.1%	44.0%	1.91%	513,359,096	47.9%	44.0%	1.03%	2.96%	1.77%	7.58%	7.77%
Lehman Gov/Credit				2.12%				1.06%	3.19%	-0.72%	6.73%	7.10%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)												
Northern Trust Global Investments	124,014,083	11.4%	11.0%	2.68%	120,757,309	11.3%	11.0%	0.80%	3.49%	N/A	N/A	N/A
Western	124,988,510	11.5%	11.0%	2.63%	121,678,579	11.4%	11.0%	1.03%	3.68%	N/A	N/A	N/A
TOTAL TIPS	249,002,593	22.9%	22.0%	2.65%	242,435,888	22.6%	22.0%	0.91%	3.59%	N/A	N/A	N/A
LB US TIPS Index				2.68%				1.33%	4.05%	N/A	N/A	N/A
REAL ESTATE												
<i>Manager To Be Determined</i>												
NCREIF Total Index	-	0.0%	6.0%	N/A	-	0.0%	6.0%	N/A	N/A	N/A	N/A	N/A
				1.03%				1.03%	2.08%	N/A	N/A	N/A
CASH EQUIVALENTS												
Bank of ND	33,996,430	3.1%	1.0%	0.14%	33,128,333	3.1%	1.0%	0.13%	0.27%	1.20%	1.72%	3.39%
90 Day T-Bill				0.12%				0.12%	0.24%	0.98%	1.71%	3.30%
TOTAL WSI	1,088,839,812	100.0%	100.0%	1.49%	1,071,742,435	100.0%	100.0%	-0.56%	0.91%	9.62%	5.50%	5.97%
POLICY TARGET BENCHMARK				1.59%				-0.18%	1.41%	7.25%	5.18%	5.41%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.